



LOS ANGELES COUNTY DEPARTMENT OF MENTAL HEALTH  
550 S. VERMONT AVE., LOS ANGELES, CA 90020 HTTP://DMH.LACOUNTY.GOV



MARVIN J. SOUTHARD, D.S.W.  
Director

ROBIN KAY, Ph.D.  
Chief Deputy Director

RODERICK SHANER, M.D.  
Medical Director

April 10, 2014

TO: Each Supervisor

FROM: Marvin J. Southard, D.S.W.  
Director

SUBJECT: **ADVANCE NOTIFICATION OF INTENT TO ENTER INTO A SOLE  
SOURCE CONTRACT WITH HEALTH ADVOCATES**

This memorandum is to comply with the Board Policy Manual, Section 5.100, Sole Source Contract, by notifying the Board of our need to initiate a sole source contract. It is the Los Angeles County Department of Mental Health's (DMH) intent to enter into a sole source Agreement with Health Advocates, located at 14721 Califa Street, Sherman Oaks, CA 91411.

On January 28, 2014, DMH along with four (4) other County departments (Health Services, Public Health, Public Social Services, and Sheriff) received a total of \$7 million in grant funding from the California Department of Health Care Services to provide Medi-Cal outreach and enrollment services to uninsured individuals in support of the State's desire to augment the number of Medi-Cal enrollments among the newly-eligible hard-to-reach populations affected by the Patient Protection and Affordable Care Act (ACA). As per guidelines issued by the State, this two-year grant covering the period of February 1, 2014, to June 30, 2016, is a time-sensitive project that requires its awardees to respond rapidly upon receipt of the grant funds by initiating the required deliverables immediately. Due to the time constraint imposed by the State for implementation of this grant, DMH finds it necessary to utilize contractors that have demonstrated the expertise and capacity to initiate the required services in a timely fashion as the immediate commencement of services to be provided under this grant will ensure the maximum possible draw-down of grant funding, and thus ensure the maximum possible amount of services will reach the target populations. The time required for DMH to conduct a competitive solicitation before awarding contracts for these services would consume an excessive portion of the grant term. Accordingly, the award of contracts to qualified contractors on a sole source basis will maximize the value of services to be provided under the grant and is therefore in the best interest of the County.

Health Advocates is one of the two benefits establishment providers evaluated and deemed qualified by DMH during a recent competitive solicitation that served to identify qualified entities for the provision of Medi-Cal, Supplemental Security Income (SSI), and

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Social Security Disability Insurance (SSDI) benefits establishment services. Hence, DMH has identified Health Advocates as a sole source provider under this grant.

Since its inception in 1990, Health Advocates has dedicated much of its resources to helping uninsured individuals obtain Medi-Cal and other government-funded benefits. This agency's unique qualifications are recognized by many entities in the healthcare industry evidenced by the multiple contracts it has with various counties and healthcare providers throughout California. At the present time, Health Advocates has over four hundred (400) well-trained Outreach and Benefits Establishment Specialists available to provide a full array of benefits establishment services ranging from Medi-Cal, SSI, SSDI, and California Work Opportunities to Cash Assistance for Immigrants. Additionally, this agency has staff attorneys well-versed in Medi-Cal, SSI, and SSDI eligibility criteria readily available to handle the more complex cases during the reconsideration and appeal process to ensure acquisition of benefits. Based upon its current capacity, Health Advocates has the necessary infrastructure and expertise to deliver the required Medi-Cal outreach and benefits establishment services stipulated by this State grant recently awarded to Los Angeles County.

The proposed sole source Agreement with Health Advocates will be funded fully by the State Medi-Cal Outreach and Enrollment grant. The term of the sole source Agreement is for Fiscal Years 2014-15 and 2015-16.

Unless otherwise instructed by a Board office within two weeks, DMH will proceed with negotiating this sole source Agreement. DMH will work closely with both County Counsel and the Chief Executive Office in preparing this new Agreement with Health Advocates.

If you have any questions or concerns, please contact me, or your staff may contact Richard Kushi, Chief, Contracts Development and Administration Division, at (213) 738-4684.

MJS:RK:LW:SK:gdt

c: Health Deputies  
Executive Office, Board of Supervisors  
Chief Executive Officer  
County Counsel  
Robin Kay, Ph.D.  
Margo Morales  
Dennis Murata  
Lisa Wicker  
Richard Kushi